



January 15, 2021

Chris Hoedt, M.D.
201 Northmont Ave
Mount Ephraim, NJ 08059
Choedt@gmail.com

RE: Offer Letter- Orthopaedic Adult Reconstruction Surgeon

Dear Dr. Hoedt:

We are delighted to offer you a faculty position in the Department of Orthopaedic Surgery in the School of Medicine at Vanderbilt University ("VU") on the Clinician Educator Track and to affiliate your medical practice with the Vanderbilt Medical Group ("VMG"). This letter sets forth the terms that will govern your employment by Vanderbilt University Medical Center ("VUMC"). You will be recommended for appointment for an initial two-year term starting **July 1, 2021**, but this can change with the effective date of your credentialing. The term of your employment will be commensurate with the term of your faculty appointment.

Your faculty appointment at VU and employment by VUMC may be renewed at the discretion of the Department Chair and Dean. Unless modified in writing by VU/VUMC, the terms contained within this offer letter will remain binding for the duration of your appointment as a faculty member and employment by VUMC, including any period of reappointment. Procedures for renewal are set forth in the *Vanderbilt Faculty Manual* (<https://www.vanderbilt.edu/faculty-manual/>). You should review this document carefully. In the event that you elect not to continue your employment for any reason, you must provide written notice not less than 4 months before the requested date upon which your employment/faculty appointment will conclude.

You will be proposed for appointment as an Assistant Professor of Orthopaedic Surgery on the Clinician Educator Track as full-time faculty. Your appointment will be in the Department of Orthopaedic Surgery in the Adult Reconstruction division under the direction of the Department Chair and Division Chief.

Your faculty appointment, including your title and the term of appointment, is subject to approval by the appropriate School of Medicine committees and the Dean of the School of Medicine. Your employment by VUMC as a faculty member in the Department of Orthopaedic Surgery and as a member of the VMG is contingent upon your maintaining this faculty appointment in good standing at all times.

Medical Center East, South Tower

tel 615.936.7846

Suite 4200

Nashville, TN 37232-8774

During the term of your employment, you will be subject to the terms of the Vanderbilt University *Faculty Manual* and other applicable VU and VUMC policies and procedures. You will also be subject to the By-laws of the VMG and the VUMC Medical Staff By-laws and Rules & Regulations. As a VU faculty member and VUMC employee, you will also be subject to all applicable VU and VUMC policies, as they may exist from time to time, including without limitation the Conflict of Interest Policy, the Standards of Conduct, the Policy on Technology and Literary and Artistic Works, and the Policy Guidelines for Sponsored Research, each of which is contained in the *Faculty Manual* (<https://www.vanderbilt.edu/faculty-manual/>) and on the VUMC PolicyTech web site (<https://vanderbilt.policytech.com/>). Your acceptance of this offer will affirm that you have reviewed and agree to be bound by these policies for the duration of your faculty appointment at VU and employment by VUMC, including any periods of renewal of the initial term.

To ensure patient safety, VUMC-employed faculty members must meet immunization and screening requirements set forth in Medical Center Policies. Compliance with the screening program is mandatory. You must undergo screening by the Vanderbilt Occupational Health Clinic prior to receiving your Medical Center ID badge. You may bring your immunization records and any pertinent laboratory test results to your screening or submit the pertinent records to Occupational Health before you arrive on campus ([Pre-arrival Immunization Form](#)). After reviewing your records, the Occupational Health Clinic will provide any additional services you may require at no cost to you. The Medical Center currently requires screening and/or immunization for tuberculosis, measles, mumps, rubella, varicella, influenza, and hepatitis B. Medical Center immunization requirements can be found at [VUMC immunization](#).

In addition to review and approval by the appropriate academic bodies, your faculty appointment and employment will be contingent upon your meeting VUMC's requirements for and upon VUMC's decision that the results of a mandatory pre-employment background check are acceptable. This pre-employment background check is required by VUMC for all prospective faculty members. This will be performed at no expense to you, and the results will be reviewed only by those persons specified under VUMC's policy governing pre-employment background testing for prospective faculty. Should you accept this offer of employment, you will be provided specific instructions on how to proceed with this mandatory background check. Failure to submit to this background check may result in rescission of your offer in accordance with applicable VUMC policies.

Your medical staff appointment cannot be finalized until all requirements for medical licensure, DEA registration and medical staff credentials and clinical privileges are fulfilled. This will require your timely completion and cooperation in processing the relevant forms and applications. It is expected that you will complete and submit all relevant forms not later than 120 days before beginning your faculty appointment and employment. As a compensated faculty member who will provide patient care services, you must also be a member of the VMG, which requires you to enter into a member practice agreement. Your employment and your salary and benefits will not commence until these medical staff and VMG appointments have been made and all relevant licensure for practice has been completed. Your continued employment is subject to your maintaining and keeping current all licensure and DEA requirements and remaining eligible to participate as a Medicare provider. Should your clinical practice privileges be restricted or terminated as a result of a disciplinary process under the VUMC Medical Staff Bylaws or by similar process at any other location where you practice, the Dean/CEO may elect to end your faculty appointment and employment by VUMC.

You will be required before, and as a condition of, your employment to execute a Non-Solicitation and Non-Competition Agreement which is an attachment to this offer letter.

Prior to commencement of your employment, you will be required to provide proof of U.S. citizenship, permanent resident status, or documentation of a valid visa that permits your employment at VUMC. Maintenance of appropriate work authorization is required as a condition of your continued employment at VUMC.

The **job description** that you would be expected to participate in includes outpatient clinic two to three days per week centered at clinical sites centered in Wilson Co. in space provided by the Department of Orthopaedic Surgery and Vanderbilt University Medical Center. In addition, you would have two to three operating room days per week as needed at Vanderbilt Wilson County Hospital and Surgery Center. You would be required to be a part of the Orthopaedic Emergency call system at Vanderbilt Wilson County Hospital. This would require you to live within 45 minutes of the Vanderbilt Wilson County Hospital and maintain active privileges at the hospital. You would be a member of the VUMC Department of Orthopaedic Surgery Adult Reconstruction Division. These are general guidelines. Your mix of assigned professional duties is subject to modification over time at the discretion of the Department Chair or Division Chief. As a member of the Department of Orthopaedic Surgery, you will be expected to participate in the educational programs of the Department, which may include teaching service, training, preceptorship, mentoring, etc. as the Chair, Division Chief and you deem appropriate

All members of the Departmental faculty who provide patient care services must also accumulate at least 40 hours of continuing medical education credit each year for reappointment, which may increase at the discretion of the Department Chair. You must keep a record of CME hours as this record will be required for reappointment to the medical staff, maintenance of state licensure, and as a condition of your continuing employment.

As **compensation** for all of your clinical, academic, administrative, and research services under your employment, and assuming satisfactory fulfillment of your professional duties, the Department agrees to pay you a gross annual base salary of five hundred thousand dollars (**\$500,000**) the initial year and five hundred fifty thousand (**\$550,000**) your second year. All of your salary components, supplements, and/or one-time payments, if applicable, are payable in accordance with Vanderbilt's standard payroll practices. In no event shall compensation include any payment of Accounts Receivable upon or following the departure of a Participating Member from the VMG or from Vanderbilt. If the Department and/or Division approve and implements a new physician compensation plan before the end of this two-year agreement, you will be given the opportunity to participate in the plan. Participation is not mandatory, however if you choose to participate in the plan you will be subject to the same standards, goals, etc., as the other physicians in the plan, and you will not be allowed to leave the plan or become a non-participant of the plan.

In recognition of your highly specialized clinical skills in Orthopaedic Adult Reconstruction Surgery you are being offered a non-transferable one-time bonus as part of your recruitment package, (hereinafter referred to as a "**signing bonus**"). The total signing bonus shall be Fifty Thousand dollars (**\$50,000**), less any required withholdings, including withholding for income and FICA taxes. In accordance with current IRS rules, the University must treat the payment of this signing bonus as wage income subject to tax withholding. Vanderbilt does not represent or guarantee that the amount to be withheld for federal income taxes will be sufficient to pay those taxes, since the total income tax on the signing bonus is affected by other sources of income you may have. The signing bonus is expected to cover your relocation expenses, the department will not be responsible for relocation expenses of any kind.

Upon completion and approval of all required employment and credentialing documentation, the signing bonus will be paid within Sixty (60) business days.

If for any reason, other than Vanderbilt's breach of a material term of this agreement, and after an evaluation of the allegation of breach according to the terms of the Faculty Manual, you voluntarily terminate your employment with the University as a full-time faculty member within the first twenty four (24) calendar months of hire, then you will be obligated to repay the signing bonus based on the terms outlined in the Table below. Payment must be made to the VUMC within twenty-five (25) business days from termination or resignation.

Length of Employment	Amount Due Upon Termination or Resignation
1-12 months	\$30,000.00
13-23 months	\$20,000.00
After 24 months	\$0.00

Establishment of your initial base salary in a full-time status was determined using Medical Group Management Association (MGMA) and other national benchmark data. Your annual base compensation of \$500,000 will be guaranteed for your first year and \$550,000 will be guaranteed for your second year. You can receive additional compensation based upon wRVU productivity as described below:

Each professional procedure performed by you will be assigned a wRVU based upon the Resource Based Relative Value Scale ("RBRVS") as established by Medicare. If appropriate, Vanderbilt will pay you, on a quarterly basis, additional compensation in the form of a productivity payment, which shall be determined in accordance with the following calculation:

For the term of this agreement, the Department will calculate quarterly the product of your billed wRVUs x wRVU Rate. If the total amount calculated during a quarter in the first year of the agreement exceeds your base salary plus your signing bonus, then you will be paid the remainder of such amounts as additional incentive compensation. If the total amount calculated during a quarter in the second year of the Agreement exceeds your base salary, then you will be paid the remainder of such amount as additional incentive compensation.

The Applicable wRVU Rate shall be the following:

- Sixty-nine dollars and fourteen cents (\$69.14) if wRVUs produced are equal or above 2,872 for the quarter. Fifty-four dollars and sixty-five cents (\$54.65) if below 2,872 wRVUs for the quarter; or
- The wRVU Rate then in effect and applicable to the Division within the Department.

The Incentive Compensation shall be determined on a quarterly basis and paid to you within thirty days (30) days following the end of each quarter.

"Work RVUs" shall be defined as the work relative value unit, as measured by the Resource Based Relative Value Scale and published by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, in the *Federal Register*, as follows:

- a. Not weighted by a conversion factor or geographic practice cost index;

- b. Attributed to your personally performed professional services, including all of your personally performed professional medical and/or surgical services
- c. Adjusted for certain modifiers as defined by the American Medical Association and billable by Vanderbilt for your personally performed professional services and;
- d. Regardless of payer

All the above provisions applicable to compensation and other incentive payments shall individually be considered material terms of this Agreement.

As an employed full-time faculty member, you are eligible to participate in the VUMC benefits package. These benefits are linked to your employment and currently include health insurance, life insurance, accidental death and dismemberment insurance, and retirement benefits. VU provides certain benefits to full-status faculty members (e.g., a tuition benefit for college-bound dependents of full-status faculty) and these are described in the *Faculty Manual*. VU and VUMC retain the right to modify or rescind any portion of the benefits package in effect at any time. You will be eligible for benefits according to the terms of applicable plans as they may exist from time to time. If you have any benefits questions you wish to discuss while you are considering this offer, you may contact the VUMC Benefits Office for further information.

Your professional liability coverage will be provided through the VUMC Office of Risk and Insurance Management during the term of your VUMC employment. If you have been engaged in medical practice for compensation outside of and/or subsequent to completing your formal training, you will be expected to provide, at no cost to VUMC, evidence of tail coverage acceptable to VUMC with regard to any medical practice activities over the past three years.

The offer described in this letter is subject to and made in reliance on the accuracy and completeness of information you have provided regarding your prior education, training, and employment history and medical staff history. If you agree with the terms of this offer, please sign below and return the signed offer by **February 5, 2021**. This offer is withdrawn and is no longer valid after that date. If you modify the terms of the offer, this will be considered a counteroffer that the Department may accept or decline in writing at its sole discretion. If you have any questions about the terms of this offer, please contact me as soon as possible.

We are very excited about your pending arrival here at Vanderbilt. Please feel free to contact me if you have any questions or concerns.

Very truly yours,

Rick W. Wright, M.D.
Dan Spengler, M.D. Professor and Chair
Department of Orthopaedic Surgery
Vanderbilt University Medical Center

I accept this offer as outlined above, including any attachments, and agree that it represents the entire agreement of the parties with respect to my employment and supersedes all prior agreements, whether written or oral:



Chris Hoedt, M.D.

01/25/2021

Date